

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

July 25, 2016

45 August 16, 2016



LORI GLASGOW
EXECUTIVE OFFICER

VIA COURIER

Dean Logan, Registrar-Recorder/County Clerk
Los Angeles County Registrar of Voters
12400 Imperial Highway, Room 2013A
Norwalk, California 90650
Via Personal Delivery

Lori Glasgow, Executive Officer-Clerk of the
Board of Supervisors
Los Angeles County Board of Supervisors
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 383
Los Angeles, California 90012
Via Personal Delivery

Re: South Pasadena Unified School District November 8, 2016 Bond Measure Election

Enclosed please find the South Pasadena Unified School District Board of Education RESOLUTION NO. 2016-2017-01 "RESOLUTION OF THE BOARD OF EDUCATION OF THE SOUTH PASADENA UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER" adopted on July 12, 2016 calling for a November 8, 2016 local bond election.

Also enclosed is the Tax Rate Statement to be used in connection with the election which has been prepared in accordance with Elections Code Sections 9400 to 9404. We understand that the County Counsel's office will prepare the impartial analysis to be included in the ballot/voter pamphlet.

The resolution directs that Exhibit B to the Resolution, which is the Full Text Ballot Proposition, be printed in its entirety in each sample ballot/voter pamphlet and we request that it be included as directed.

By this letter we are formally requesting to review a proof of the ballot statement language, the full text of the ballot proposition, impartial analysis and ballot arguments that would appear in the voter pamphlet prior to publishing. Please direct this proof to the undersigned as soon as it is available.

The District requests that the measure be assigned the letter designation "SP." If the letter designation is not available, the District requests of one of the following: "Q," "A," "U," or "R." The District requests that the measure not be assigned the letters "F," "N," or "O."

If helpful, on request we can provide you with the resolution electronically in order to facilitate your work.

We have asked our courier to obtain a signature on the next page from the Registrar's office and the Executive Officer-Clerk of the Board's office acknowledging receipt of the Resolution and would appreciate your providing the signatures.

Dean Logan, Registrar-Recorder/County Clerk
Lori Glasgow, Executive Officer-Clerk of the Board of Supervisors
July 25, 2016
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This letter also authorizes you to contact Robert J. Whalen of Stradling Yocca Carlson & Rauth, our bond counsel, at (949) 725-4166 if you have any questions. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Geoff Yantz", written over the printed name.

Geoff Yantz, Ed.D
Superintendent

Enclosure

cc: Robert J. Whalen

**Tax Rate Statement
South Pasadena Unified School District
Bond Measure
November 8, 2016 Election**

To: The voters voting in the November 8, 2016 election on the question of the issuance of \$98,000,000 General Obligation Bonds of the South Pasadena Unified School District.

You are hereby notified in accordance with Section 9401 of the Elections Code of the State of California of the following:

1. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the first sale of bonds, based on assessed valuations available at the time of the election and taking into account estimated future growth, is the following:

\$.060000 per \$100 of assessed valuation, which equates to \$60.00 per \$100,000.

First fiscal year after the first sale of bonds: 2017-2018.

2. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the last sale of bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

\$.060000 per \$100 of assessed valuation, which equates to \$60.00 per \$100,000.

First fiscal year after last sale of bonds: 2026-2027.

3. The best estimate from official sources of the highest tax rate which would be required to be levied to fund principal and interest payments on the bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

\$.060000 per \$100 of assessed valuation, which equates to \$60.00 per \$100,000.

Year of highest tax rate: 2017-2018 and thereafter.

4. The best estimate from official sources of the total debt service, including the principal and interest, which would be required to be repaid, if all of the bonds are issued and sold, based on interest rate information along with assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

Estimated total debt service, including the principal and interest: \$174,092,800.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The date of sale and the amount of bonds sold at any given time will be determined by the District based on its need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of sale. Actual future assessed valuations will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. Accordingly, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated as above stated.

Superintendent of the
South Pasadena Unified School District


Geoff Yantz, Ed.D.

RESOLUTION NO. 2016-2017-01

**RESOLUTION OF THE BOARD OF EDUCATION OF THE
SOUTH PASADENA UNIFIED SCHOOL DISTRICT
ORDERING AN ELECTION AND ESTABLISHING
SPECIFICATIONS OF THE ELECTION ORDER**

WHEREAS, the health and safety of our students and staff is the top priority of South Pasadena Unified School District (“the District”); and

WHEREAS, maintaining a high quality education at District schools requires safe and modern school facilities; and

WHEREAS, in 1995, over 80% of local voters approved Measure L to provide locally controlled funding for basic facility repairs and upgrades at each of the District’s schools and, for most of the District’s schools, this funding represented the first significant upgrade in over 30 years; and

WHEREAS, in 2002, 78% of local voters approved Measure M, providing \$29 million for school improvements, primarily focused on the then 74-year-old South Pasadena Middle School, with funds from this measure being used to complete urgent projects such as removing hazardous materials like lead paint and asbestos, improving accessibility for students with disabilities and replacing outdated heating and ventilation systems, and building a new library, gym, band room, engineering lab and two new computer labs; and

WHEREAS, independent citizen oversight committees have reviewed the use of funds from both prior bond measures and consistently certified that funds from these measures have been expended for purposes consistent with the promises made to voters at the time of the elections; and

WHEREAS, the Board of Education (the “Board”) has determined that education facilities within the District need to be renovated, modernized, repaired, improved, constructed and equipped to enable the District to improve the health and safety and the quality of education for students in the District; and

WHEREAS, the District has completed a comprehensive facilities assessment to identify the most pressing needs in each of the District’s schools to provide safe and modern classroom environments for all students; and

WHEREAS, additional resources are necessary to make necessary health and safety improvements, repair leaky roofs, old plumbing, faulty electrical systems and to seismically retrofit older school buildings; and

WHEREAS, facility upgrades are needed to support student achievement in math, science, technology, and visual and performing arts, and to support quality 21st century instruction to help students succeed in school and prepare for college and careers; and

WHEREAS, heating and cooling systems are reaching the end of their expected lifespans and need to be replaced with more energy efficient systems; and

WHEREAS, portable classrooms are overdue for replacement and hazardous materials, such as asbestos and lead paint, need to be removed; and

WHEREAS, access to facilities for students with disabilities and campus security need to be improved; and

WHEREAS, the State of California (the “State”) has been unable to provide the District with enough money for the District to adequately construct and repair schools to provide an optimal learning environment for all students; and

WHEREAS, the District has pursued all available sources of funding to improve local school facilities, including funding from Proposition 39 of 2012, the Clean Energy Jobs Act; and

WHEREAS, in the judgment of the Board, additional facility funding by means of a general obligation bond is needed to improve the quality of facilities within the District and position the District to be eligible for potential state matching funds; and

WHEREAS, if both a local bond measure is approved by District voters and a statewide school facility bond measure is approved, funding from the local bond measure will provide local matching dollars needed to increase the District’s chances for qualifying for funding from the state bond that would otherwise go to other school districts; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 (“Proposition 46”), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service on any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

WHEREAS, on November 7, 2000, the voters of the State approved the Smaller Classes, Safer Schools and Financial Accountability Act (“Proposition 39”) which, as of its effective date, reduced the voter threshold for *ad valorem* tax levies used to pay for debt service or bonded indebtedness to 55 percent of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the “Act”) became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to provide for certain performance audits, standards of financial accountability and citizen oversight which are required by Proposition 39 and the Act; and

WHEREAS, the Board desires to submit a proposition to the District’s voters at an election to authorize the issuance of general obligation bonds to pay for certain necessary improvements to and equipment for District schools; and

WHEREAS, the Board hereby determines, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, that the restrictions in Proposition 39 which prohibit any bond money from being used for administrative salaries or other operating expenses of the District shall be strictly enforced by a Citizens' Oversight Committee to be appointed by the Board in accordance with the Act; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limit per year of \$60 per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now desires to authorize the filing of a ballot argument in favor of the proposition and any rebuttal argument to be submitted to the voters at the election; and

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request that the Los Angeles County Registrar of Voters perform certain election services for the District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE SOUTH PASADENA UNIFIED SCHOOL DISTRICT, LOS ANGELES COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, and 15264 *et seq.*, and Government Code Section 53506, hereby requests the Los Angeles County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount not to exceed \$98,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits A and B hereto. Both exhibits are directed to be printed in the voter pamphlet. The Board hereby adopts each of the findings set forth in Exhibit B hereto.

SECTION 2. That the date of the election shall be November 8, 2016.

SECTION 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A" and incorporated by reference herein, containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot proposition in Exhibit "A" is subject to the following requirements and determinations:

(a) that the proceeds of the sale of the Bonds shall only be used for the purposes specified in Proposition 39 and authorized by the ballot proposition and not for any other purpose, including teacher and administrator salaries and other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction and information technology needs of the District;

(c) that the Board will cause an annual, independent performance audit to be conducted to ensure that the Bond moneys are expended only for the projects identified in Exhibit "B" hereto;

(d) that the Board will cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board will appoint a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Elections Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limit of \$60 per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

SECTION 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

SECTION 5. That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.

SECTION 6. That the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District.

SECTION 7. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than August 12, 2016.

SECTION 8. That the maturity of any Bonds issued pursuant to Section 15264 *et seq.* of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 *et seq.* of the Government Code shall have a maturity not exceeding the maximum permitted thereunder. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

SECTION 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass be made by any body or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation. The Board

further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the Los Angeles County Registrar of Voters by the established deadlines.

SECTION 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Los Angeles County, such services to include the printing of the Full Text Ballot Proposition set forth in Exhibit "B" in the voter pamphlet, the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

SECTION 11. This Resolution shall take effect immediately upon its passage.


PASSED AND ADOPTED this 12th day of July, 2016, by the following vote:

AYES: 5

NOES: 0

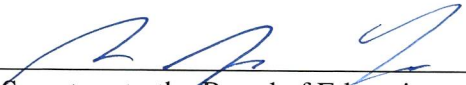
ABSENT: 0

ABSTENTIONS: 0



President, Board of Education
South Pasadena Unified School District

Attest:



Secretary to the Board of Education
South Pasadena Unified School District

SECRETARY'S CERTIFICATE

I, Geoff Yantz, Ed.D., Secretary to the Board of Education of the South Pasadena Unified School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on July 12, 2016, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: July 12, 2016

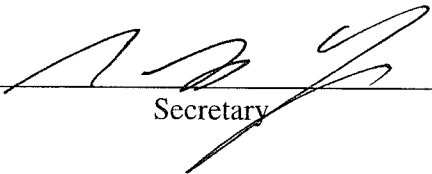

Secretary

EXHIBIT A

To upgrade aging classrooms, sites and facilities; replace deteriorated roofs, plumbing, electrical, and air conditioning systems; retrofit buildings for earthquake safety; improve access for students with disabilities; remove hazardous materials like lead/asbestos; and upgrade/construct math, science, technology, visual and performing arts classrooms/facilities to support student achievement, shall South Pasadena Unified School District issue \$98,000,000 in bonds at legal rates to equip, acquire, and construct school facilities, with independent oversight, annual audits, and all money staying local?

Bonds –Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE SOUTH PASADENA UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the South Pasadena Unified School District.

FINDINGS

In calling for the ballot proposition to be submitted to the voters, the Board of Education of the South Pasadena Unified School District (the “District”) has made the following findings:

The District is committed to creating and maintaining a high-quality learning environment for all of its nearly 5,000 students.

The health and safety of students and staff is the top priority of the District and maintaining a high quality education at District schools requires safe and modern school facilities.

Many of the District’s buildings are more than 40 years old and in need of significant repairs and upgrades.

The State of California (“the State”) has been unable to provide the District with enough money for the District to adequately upgrade and repair schools to provide a safe and optimal learning environment for all students.

Funding from bond measures approved by local voters in 1995 and 2002 have been expended and the independent citizens’ oversight committees charged with reviewing the use of bond funds have consistently certified that funds from both measures were utilized for the purposes described in the measures and promised to local voters.

The District has completed a comprehensive facilities assessment to identify the most pressing needs in each of its schools to provide safe and modern classroom environments for all students.

The District has pursued all available sources of funding to improve local school facilities, including funding from Proposition 39 of 2012, the Clean Energy Jobs Act.

Additional resources are necessary to enable the District to address facilities that need to be renovated, modernized, repaired, improved, constructed and equipped to enable the District to improve the health and safety and the quality of education for all of its students.

All funds raised by this measure will remain local to support students and cannot be taken away by the State.

An independent Citizens' Bond Oversight Committee will review all expenditures, and annual independent audits will be conducted to ensure all funds are spent only on school, classroom and other improvements as authorized by voters and for no other purposes.

Funds from this measure would provide the local matching funds needed to help the District qualify for funding from the State bond measure that will appear on the November 2016 ballot.

Bond money may not be used for administrator or teacher salaries, benefits or pensions.

SUMMARY OF THE BOND MEASURE

To upgrade aging classrooms, sites and facilities; replace deteriorated roofs, plumbing, electrical, and air conditioning systems; retrofit buildings for earthquake safety; improve access for students with disabilities; remove hazardous materials like lead/asbestos; and upgrade/construct math, science, technology, visual and performing arts classrooms/facilities to support student achievement, shall South Pasadena Unified School District issue \$98,000,000 million in bonds at legal rates to equip, acquire, and construct and equip needed school facilities, with independent oversight, annual audits, and all money staying local?

PROJECT LIST FOR THE BOND MEASURE

Bond proceeds will be expended to upgrade, repair, expand, modernize, replace, renovate, acquire, construct, furnish and equip facilities of the District including the following types of projects at Arroyo Vista Elementary School, Marengo Elementary School, Monterey Hills Elementary School, South Pasadena Middle School, South Pasadena High School and at the District administration building:

New 21st Century Classrooms and Facilities for Math, Science, and Technology

- Replace all existing portable classrooms with new permanent construction
- Construct new dedicated labs for science, technology, engineering, math, design and robotics
- Construct a new lab for sports medicine and physical therapy

Enhancements to Support Visual and Performing Arts

- Restore and preserve the historic Middle School performing arts theater/auditorium
- Upgrade and modernize the High School auditorium
- Construct new classrooms dedicated to visual and performing arts

Improvements to Promote Student Health and Safety

- Retrofit older buildings with earthquake safety improvements
- Replace and/or repair aging roofs
- Replace and/or upgrade outdated electrical infrastructure

- Upgrade and/or replace school safety systems, fire alarms, sprinklers and smoke detectors
- Install new security fencing
- Upgrade access systems including doors, locks and windows
- Upgrade bathrooms and other facilities for safety and accessibility
- Restore and/or upgrade locker rooms, bleachers, fields, courts, gym floor, playground asphalt surfaces and outdoor areas

Critical Infrastructure Enhancements

- Upgrade information technology network infrastructure including wireless, servers, data archiving, backup and security systems
- Update administrative facilities
- Upgrade safety and security tools such as phones, lighting, and emergency communication facilities

Energy and Water Efficiency Improvements

- Install drought tolerant landscaping and water efficient irrigation systems
- Install athletic sports turf on fields to save water
- Replace outdated heating and cooling systems with more energy efficient systems
- Make energy efficiency improvements such as installing efficient lighting and solar panels as needed to reduce utility costs

* * *

In preparing the list of projects, the District has evaluated safety, class size reduction, and informational technology needs.

Implementation of Construction Program. Listed projects, repairs, improvements, rehabilitation projects and upgrades will be completed only as needed, and the listing of projects does not imply a particular prioritization among such improvements. Projects may be done in phases, based on Board of Education priorities. Listed projects may be completed at any and all District schools, sites and education buildings where such project is determined necessary. Decisions regarding the scope, timing, prioritization or other facets of project implementation will be made solely by the Board of Education by subsequent action. Where terms such as “renovate,” “upgrade,” “retrofit,” “restore” and “modernize” are used in the foregoing Project List for the Bond Measure, the Board of Education shall determine the best method for accomplishing the project’s objective. For any listed project involving renovation or modernization of all or a portion of a building, the District may proceed with new replacement construction instead (including any necessary demolition), if the District determines that replacement and new construction is more practical than renovation or modernization, considering the building’s age, condition, expected remaining life, comparative cost, and other relevant factors.

Each project financed will include its share of architectural, engineering, and similar planning costs, program management, project or construction management, a contingency for unforeseen circumstances, offsite/utility connection costs, and interim housing. Projects also may include the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies, construction documentation, plan check, inspection and permit fees, and the acquisition of improvements on the project list that are financed by the District on an interim basis through temporary loans, leases, lease-leaseback, or lease-purchase arrangements.

The District intends to apply for State matching funds for certain of the projects to be financed. In the absence of such funding, the District may not be able to undertake some of the projects listed above. Approval of this proposition does not guarantee that the proposed projects that are the subject of this proposition will be funded beyond the local revenues generated by this proposition. The District's receipt of matching State funds will be subject to appropriation by the Legislature and approval of a statewide bond measure.

The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain projects described above may be delayed or may not be undertaken.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code Section 53410.

Fiscal Accountability: In accordance with Education Code Section 15272, the Board of Education will establish a citizens' oversight committee and will conduct annual independent audits to assure that funds are spent only on the list of projects authorized above and for no other purpose. The expenditure of bond money on these projects is subject to stringent financial accountability requirements. By law, performance and financial audits will be performed annually, and all bond expenditures will be monitored by an independent citizens' oversight committee to ensure that funds are spent as promised and specified. The citizens' oversight committee shall include at least seven members, with the following relationships: one member active in a business organization, one member active in a senior citizens' organization, one member active in a bona fide taxpayers' organization, one member who is a parent or guardian of a student, one member who is both a parent or guardian of a student and active in a parent-teacher organization. District employees, vendors, contractors and consultants may not serve on the citizens' oversight committee.

No Administrator Salaries: Proceeds from the sale of the bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and not for any other purpose. No funds will be used toward teacher or administrator salaries or other operating expenses.